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## **2. Career Officer Trainee Program**

1. The Office of Personnel has identified and led an attack on one of CIA's important personnel problems: the need to train young officers in sufficient numbers to fill the "valley after the leap" in the 1970's when many officers now in their 50's and late 40's will retire. The Office of Personnel has recommended an expanded JOE program, the Career Officer Trainee Program, which will increase the number of professional trainees from 190 to 225 a year. This expansion was approved on 20 March 1964. It will supply junior professionals to the Deputy Directorates each year beginning in 1965 as follows:

DD/P	- - - - -	90
DD/S	+ - - - -	65
DD/I	+ - - - -	55
DD/SAFE	- - - - -	10
Allowance for Attrition		5
TOTAL		225

2. The new program will be the principal induction mechanism for junior professionals in all Deputy Directorates. It will be a departure from early JOE concepts of a small group of potential supergrades who would eventually fill the top jobs in CIA. Some of the junior professionals under the expanded program will rise

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to the most senior jobs, but obviously all will not. Thus, instead of concentrating on a potential elite, the new program will include people who will eventually fill jobs ranging from about GS-14 up, in a wide range of categories. It is also an important extension of previous JOT programs which have selected and trained people primarily for service in the Clandestine Services.

3. Although the expansion has been approved and the numbers of trainees agreed on, there are at least five important questions which have not been settled:

a. Requirements of each Deputy Directorate have not been broken down in sufficient detail. The Office of Training and the Office of Personnel have not been given information on the numbers and kinds of operations officers, analysts, finance officers, area specialists, scientists, economists and others required for each Deputy Directorate, so that recruiting requirements can be organized.

b. The qualifications to be sought in trainees have not been spelled out. For example, a trainee who will enter the Office of Finance should have a different educational background, interests and aptitudes than a trainee scheduled for the Office of Central Reference, DD/I or the [REDACTED] Division, DD/P. The Director of Training feels strongly that

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present JOF standards should be maintained regardless of the end use of a trainee.

c. The training to be given needs more discussion. It is probably desirable that all trainees have some common denominator training, but not necessary that all have the operations course now given JOF's scheduled for the Clandestine Services.

d. There is no general agreement as to whether trainees should be selected primarily from CIA employees who can meet required standards, or primarily from candidates who have not had prior CIA experience. One school of thought argues for more "internal" trainees whose performance can be observed and evaluated before he is placed in an expensive training program. It is argued that the training will mean more to employees who have had some CIA experience. It is also argued that the attrition rate is lower for internal trainees. Others believe that it is desirable for most trainees to be recruited from outside as has been done in past programs which have produced excellent officers. A balance is probably the answer. But, if more trainees are to come from CIA employees, selection, scheduling and assignment procedures will have to be organized to supply qualified young people who will ultimately serve as trainees in the expanded program.

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c. New selection procedures must be worked out. The Director of Personnel and the Directorates should have a voice in nominating candidates and making final selections.

4. In view of the fact that this will be one of the most - if not the most - important personnel programs in CIA, it is necessary to examine carefully the role the Office of Personnel should play in it. We believe the trend should be to strengthen the Office of Personnel's role in selection and assignment of trainees. If, as seems likely, there will be a significant number of internal trainees, the problems of selection, scheduling and assignment will be such that the Office of Personnel ought to have a key role in the program.

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5. [REDACTED] 27 March 1963, Applications for Junior Officer Trainee Program, expired on 1 January 1964. It should be updated, reissued and given broad distribution, both in the field and at Headquarters. Employees who believe themselves qualified should be encouraged to apply for this program.

It is recommended that:

No. 15

The Deputy Director for Support:

a. Review the respective roles of the Office of Training and the Office of Personnel in the Career Officer Trainee Program, and ensure that the latter office has a sufficient role in the selection, scheduling and assignment of officers in the program.

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b. Take such additional steps as are necessary to resolve unresolved questions of requirements, qualifications, training, sources and selection procedures for trainees under the new program.

c. Review the Career Officer Trainee Program in January 1965 to ensure that it is being carried out in accordance with the objectives stated in the memorandum approved by the HQOI dated 25 February 1964; Recruitment of Young Officers.

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d. [REDACTED] Applications for Junior Officer Trainee Program which expired on 1 January 1964, should be revised to reflect changes in the program and given wide distribution both in the field and at Headquarters.

e. Instruct the Director of Personnel, in collaboration with the Heads of Career Services and the Director of Training, to recruit young officers with potential as Career Officer Trainees for selected jobs in all Directorates where they can serve while gaining on-the-job experience to establish their qualifications for the COF program.

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**C. Personnel Processing Costs**

1. We estimate that it costs an average of \$1500 to enter new civilian staff employees on duty. This includes the costs of recruiting, correspondence, invites and appointee travel, security investigations and polygraph examinations, medical examinations, testing, assessment, orientation, processing and testing of clericals in the Human Assignment Branch; special recruitment of Junior Officer Trainees, scientific, professional and specialist personnel; and the like.

2. In FY 1963 [redacted] civilian staff employees entered on duty with the Agency in all categories: professional, technical, administrative and clerical. The total overhead costs of bringing these people on board amounts to [redacted] computed on the basis of \$1500 per head.

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3. The Office of Security, the Medical Staff and the Office of Personnel maintain good cost data on their respective personnel processing costs. CIA has not however, undertaken a comprehensive study on how overall personnel processing costs - from initial contact by recruiters until entrance on duty - might be reduced. We believe this problem area merits further attention.

4. Of the [redacted] new employees hired in FY 1963, 87% were recruited by CIA components other than the Office of Personnel.

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There are no statistics on the number of interviews involved in this increment of new employees. The [redacted] new employees who were recruited by the Office of Personnel involved an estimated [redacted] interviews conducted by the Personnel people in Washington and in the field.

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5. It is apparent that the high ratio of initial interviews to the number of firm recruits who finally enter on duty represent a substantial overhead cost. One way to reduce the ratio would be to expand the employment of standardized tests to include professional candidates, as has been done in the past for candidates for clerical and communications positions. Both the Department of State and the United States Information Agency have for several years successfully employed standardized written tests for the screening of officer level candidates. The Civil Service Commission holds similar tests for clerical applicants and for management trainees under the Federal Service Entrance Examination system. These tests weed out those who are not qualified and permit the interested agencies to concentrate their interviewing procedures on candidates who score sufficiently well to deserve further consideration. This is the converse of CIA's recruitment procedure in FY 1963 which involved preliminary interviews with [redacted] applicants from whom less than [redacted] percent were selected for

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further consideration, testing, and processing.

6. An advertised test would also attract some applicants not now reached by CIA's recruiting organization. It would also require some initiative on the part of the applicant taking the test, and indicate more than casual interest in working for CIA, which many people now being contacted do not. Although there are some possible security problems in advertising for CIA applicants, this is now being done for some categories of personnel, and we believe such risks to be no more serious than those in present recruiting procedures.

7. The test batteries for applicants in all categories should be designed or adapted in collaboration with the Assessment and Evaluation Staff of the Medical Staff to point up the characteristics, qualifications and experience desired. The tests could be administered [REDACTED] or other competent organization under contract, as is now being done for Junior Officer Trainee applicants.

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It is recommended that:

Enc. 1

The Director of Personnel:

a. Collaborate with the Assessment and Evaluation Staff of the Medical Staff to develop or adapt a series of test batteries designed to measure the characteristics, qualifications and experience of professional, communications and clerical applicants;

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b. Inaugurate a pilot program in which such candidates would be invited through advertised notices to undergo test examinations; and

c. Based on the effectiveness of the advertising and test procedures, and on opportunities for economies which may result, adopt a permanent advertising and testing program for the recruitment of staff employees.

3. Under current procedures, thousands of applicants are processed through various stages of security investigations, medical examinations and testing procedures only to be rejected for one reason or another. This is probably inevitable with the high clearance standards CIA must maintain. Certainly we do not advocate lowering these standards. We note, however, that the National Security Agency has recently initiated a pilot program of field-polygraphing, testing and giving medical examinations to applicants in the Boston area for selected jobs prior to full employment processing in Washington. This is being done to eliminate those who are obviously not qualified as early in the process as possible. We consider it beyond the terms of reference of this survey to investigate the results of NSA's pilot program, but suggest that the Deputy Director for Support may find it worth exploring.

It is recommended that:

The Deputy Director for Support explore the feasibility of administering polygraph and medical examinations at

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**Article 10**

9. It should also be noted that over 1000 applicants in 1963 completed all phases of security, national and personnel processing, were found to be eligible to enter on duty and were offered a job, but did not accept for a variety of reasons. The Office of Personnel maintains good records on the masters of such personnel, and the reasons for nonacceptance. We believe it is possible for the Career Services and the Office of Personnel to monitor all cases in process more closely, to eliminate or discontinue the processing of those who are not interested or who are not needed, and reduce costs in this area.

It is recommended that:

Ex. 10

The Director of Personnel analyze the records in the Office of Personnel of candidates for staff employment who have declined positions offered them, in an effort to determine the principal causes of such rejections so that the findings can be disseminated to Career Services and recruiting officers in the interest of reducing processing costs.

10. Due to the high cost of personnel processing and clearance, attrition in CIA assumes considerable importance. We should not complacently accept our present attrition rate which is roughly equivalent to the average of other federal agencies, some of whose employees are not comparable to CIA's in many respects. Our Career Services and the Office of Personnel have not given enough attention

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to its attrition and of possible ways of reducing it. The rate of professional attrition is about [REDACTED] a year. From July 1962 through February 1964, CIA lost [REDACTED] professional employees, about the same number of professionals who entered on duty during the same period - a period during which more new people entered CIA than at any time since the early 1950's. In the last six months of 1963, DD/I professional attrition was 60 percent higher than other Deputy Directorates. In view of the high costs of attrition in CIA, we believe a thorough examination of the reasons for it in each component and possible ways of reducing it is needed.

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It is recommended that:

No. 19

The Director of Personnel in collaboration with the individual Career Services conduct a study of the prevailing rate of attrition among professional career employees in an effort to arrive at findings which may suggest ways of reducing the implicit costs of high attrition rates.

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D. The Assessment and Evaluation Staff

1. We believe the Assessment and Evaluation Staff (AAE Staff) of the Medical Staff represents a capability which, if fully staffed, could be of considerable assistance in many personnel management problems: recruiting, selection, matching of people and jobs, performance evaluation, in conducting employee morale and attitude studies, reducing attrition and in other ways.

2. Assessment psychologists are in great demand and in short supply. The Agency has not been able to recruit and retain enough qualified psychologists to mount the kind of sustained effort needed. This is fully recognized, and priority is being given to recruiting such people.

It is recommended that:

No. 20

The Deputy Director for Support:

a. Continue to give a high priority to recruiting enough qualified professional personnel to bring and keep the AAE Staff up to strength; and


b. Explore with the Chief, Medical Staff, ways in which the AAE Staff can make a greater contribution to the Agency's personnel program.

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### B. Salary and Wage Division

1. This Division of 12 officers and 3 clerical personnel, budgeted at \$198,600 has a charter to develop and maintain "an Agency-wide program of position classification and wage administration." Position classification, review of staffing patterns and review of proposed grade changes account for about one-half of the Division's work. Special studies of a wide range of personnel matters account for most of the other half. The latter

 a study of a proposal to abolish the National Intelligence Survey research branches of OSI; the personnel organization of the Credit Union; staffing patterns of various CIA components for the Executive Director-Comptroller; and the use of contract personnel by a European field station. The manpower control officer of the Office of Budget, Program Analysis and Manpower is very complimentary of the work the Division has done for his office. Demands on the Division for special studies are increasing. The actual work of the Division is more diversified than its rather narrowly stated charter.

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2. This Division is the component of the Office of Personnel which has the most day-to-day access to and information

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about workload, job requirements, job qualifications and personnel practices and problems of other CIA offices. It is the only Agency component which is in a position to review the performance of the Career Services in any systematic way. Although most of the officers in the Division have specialized in position classification during their professional careers, they have been exposed to a variety of other personnel matters. Three have served with the Clandestine Services and two have had overseas service.

3. We believe this Division should be given a broader charter and a more broadly qualified staff to examine all aspects of personnel management of the Career Services including the kinds of problems outlined in this report. This is essential if the Director of Personnel is to discharge his review and evaluation function. The Division is not now equipped to do this. It is understrength, and the Division is frank to admit that it has to react to day-to-day problems and requests rather than plan its coverage of major problem areas systematically. It has a budget of only \$4,800 for travel for FY 1964. Ninety percent of CIA's overseas installations have never been surveyed. Some Headquarters components have never been surveyed as a unit.

4. We have given consideration to a proposal that the Division be transferred to the Executive Director-Comptroller,

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and given an across-the-board management review function similar to that of the former Management Staff. Although there are merits to such a proposal, we believe that this would seriously weaken the Office of Personnel at a time when it needs strengthening. We believe that the Division should remain in the Office of Personnel, be renamed the Personnel Management Division, and given sufficient staff and backing to undertake the expanded activities outlined above.

It is recommended that:

No. 10

The Director of Personnel:

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- a. Redesignate the Salary and Wage Division as the Personnel Management Division;
  - b. Broaden the charter of the Division to include: the review of personnel management policies and practices of offices and Career Services and manpower utilization;
  - c. Extend the review function of the Division to include: salary and wage structure, promotion practices, retirement programs and insurance benefits of CIA proprietaries;
  - d. Identify personnel problems resulting from this review and evaluation which are not possible to resolve with heads of offices and Career Services and bring them to the attention of the Executive Director or the DDCI with recommendations for action;
  - e. Provide the Division with sufficient qualified people, funds and support to accomplish its broadened mission;
  - f. Collaborate closely with the Director of Budget, Program Analysis and Manpower in carrying out this mission.

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9. Plans and Review Staff

1. This staff of 11 people, budgeted at \$126,200 for FY 1964 reviews and evaluates personnel policies and programs, undertakes special studies and develops and coordinates personnel regulations.

2. Its major contribution in FY 1964 was the study on the "valley after the hump" of Agency professional personnel in the middle and upper grades who will retire in the mid-1970's and its proposal for an expanded JOT program to deal with this problem. This proposal was approved on 20 March 1964. Other special studies of this staff have had less impact on the Agency's personnel program.

3. One of CIA's important personnel problems is the lack of a systematic program of executive development to provide trained leaders with broad experience for senior positions. This was recommended in 1952 by the Career Service Committee, again in 1959 in the Inspector General's Survey of the CIA Career Service, in 1962 by the Task Force on Personnel Management and by the Director of Personnel in 1963 in response to the Executive Director's Action Memo No. A-239 of 1 May 1963. There has been, however, little change in CIA's methods of executive development over the years. Although Career Services and Directorates have programs for developing supervisors, managers and executives, there is no systematic program for developing

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executives with experience which transcends a single directorate. Cognizance is taken of possible security and cover problems in transfers of personnel from the Clandestine Services to other directorates, and vice versa, but it is believed these can be minimized by careful handling. It is also pointed out that projected losses through retirement in the 1970's which include people on whom CIA has been counting to replace its senior officers make this a problem which the Agency should face up to and soon. If early retirement legislation is enacted these losses will probably increase.

It is recommended that:

No. 11

The Director of Personnel review former and current proposals for an executive development program and submit a new proposal to the DDGI which will identify and provide special development opportunities for employees with potential as generalists for senior managerial and executive responsibility.

4. The Deputy Chief of the Plans and Review Staff is chairing a task force on personnel records to correct "serious inaccuracies in personnel information which have resulted from the failure of responsible officials to initiate changes in basic personnel records." The task force should be encouraged in this undertaking.

5. There are a number of problem areas in personnel regulations. For example, there is no current regulation HR [REDACTED]

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on Personnel Policy Objectives, the previous regulation on this subject issued in 1953 having been rescinded. Some regulations on Staff Employees, Staff Agents, Military Staff Agents, Rights, Salaries, Contractual Agreements for the Covert Support of Operations are contained in Confidential Fund Regulations issued in 1950 and 1951. These are obsolete and should be revised. A regulation on Position Analysis has not been revised since 1954. A new regulation on this subject has been under negotiation for years. The current regulation on Pay was issued in 1951. The handbook on Personnel regulations contains a statement dated 15 September 1961 that a new paragraph on this subject will be published in the near future. A regulation on Manpower Controls has been in coordination for over 20 months. The [REDACTED] on Employee Conduct should be revised to conform to the Headquarters regulation on this subject. HR [REDACTED], Career Services, is dated 15 September 1961 and negotiations for a revised regulation have been carried on for over a year. Although the Personnel regulations handbook calls for a regulation HR [REDACTED] on Career Planning, there is no regulation on this subject. Again the handbook contains a statement dated 15 September 1961 that information on this subject will be published as HR [REDACTED] in the near future. The Office of Personnel and the Office of General

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Counsel have not been able to agree on a proposed revision of HR [REDACTED] Involuntary Separations, although the revision has been under discussion for many months.

6. We should hasten to add that these problems do not result from inaction by the conscientious Regulations Control Staff of DD/S. They rather are a reflection on the decision making process in the Agency. We see no reason why decisions cannot be reached on basic personnel regulations, and believe that the Director of Personnel should take additional action to resolve open issues or identify those for the DDGI which cannot be resolved at a lower level.

It is recommended that:

No. 12

The Deputy Director for Support:

a. Expedite the issuance of revised personnel regulations on Employee Conduct, Manpower Controls, Position Analysis, Hours of Work, Pay and Involuntary Separations.

b. Revise Confidential Fund Regulations on Staff Employees, Staff Agents, Military Staff Agents, Rights, Salary, Contractual Agreements for the Covert Support of Operations issued in 1950 and 1951.

7. If the Salary and Wage Division is to be reorganized in accordance with our Recommendation No. 10, there will be some overlap in its functions and those of the Plans and Review Staff, in the review and evaluation of personnel policies and programs,

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and in projecting future personnel requirements. A redefinition of the respective functions of these staffs, if the above recommendation is approved, will be necessary.

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ROUTING AND RECORD SHEET

[REDACTED]

ExAsst/DPers

DATE  
19 Jun 64

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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1.

Chief, PRS

*YMD*

Attached are extracts from the IG report on Personnel which are pertinent to your activity or for which D/Pers has asked that you assume focal responsibility for developing OP comments.

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*File*

Part 9 on PRS: action responsibility for comments is yours. As you know, [REDACTED] has already checked out much of the regulations comment. D/Pers deadline for your draft comment or response is 10 Jul; DD/S deadline is 15 Jul.

Part 8 is attached for your info since implementation would affect PRS functions. [REDACTED] will be drafting comments on Part 8; please work with him if you have views to be included.

D/Pers asked that you be the focal point on developing OP position on Part B on the COT program. The DD/S deadline on this one is 1 Jul and ours is 28 June. (POD & PRD have copies.)

He also asked that you be the focal point on 20b in Part D on the A&E Staff. The DD/S deadline here is 1 July and ours is 28 June. (Only POD and PRS have copies but BSD, SAS, and others should be consulted.)

Finally, on Part C, Personnel Processing Costs: PRD has principal responsibility but you and POD are involved particularly on attrition recommendation.

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JUST <u>22</u>	NEXT REV <u>20/8</u>	AUTH: HR 10-2